

FISCAL NOTE

HJR 565

March 9, 1998

SUMMARY OF BILL: Proposes to amend Article XI, Section 5 of the Constitution of Tennessee to permit the legislature to authorize a state lottery if the net proceeds of the lottery's revenues are allocated to a scholarship fund to be established and implemented by the legislature to pay tuition costs for the post-secondary education and training of Tennessee residents in public or private school or institutions in this state. This resolution requires the Secretary of State to place such amendment on the November 1998 general election ballot.

ESTIMATED FISCAL IMPACT:

Increase Local Govt. Expenditures* - \$15,000 One-Time

Each county election commission will be required to publish notice of the proposed amendment before it can appear on the November 1998 general election ballot.

For informational purposes, it should be noted that:

1. Election expenses are estimated to be minimal, since the question of calling a convention will be placed on the November election ballot.
2. In the event voters approve holding a constitutional convention, the estimated cost for 33 delegates for an estimated 15-day convention period would be approximately \$94,000.
3. The amount of state revenues which would be realized by a lottery is estimated to be approximately \$150,000,000.
4. The cost to hold a statewide referendum that is not conducted in conjunction with a regular statewide election is estimated to be approximately \$3,250,000.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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